

The marketing concept, nike approach flashcard



Explain the r/shp concept and its importance to orgns as opposed earlier marketing concepts. Use relevant examples from the Kenya orgns to illustrate your answer.

Marketing consists of individual and organizational activities that facilitate and expedite satisfying exchange relationships in a dynamic environment through the creation, distribution, promotion and pricing of goods, services and ideas. The main principles of marketing are to satisfy customers, target the 'right' customers, facilitate exchange relationships, stay ahead of competitors and enhance profitability.

The ultimate goal is to satisfy targeted customers, seeking their loyalty and consumption. Creating good relationships with customers is an important factor. The buyer must be satisfied with the goods or service received from the exchange, and the seller must likewise be satisfied with the financial reward received in the exchange.

“ The marketing concept can be defined as “ the philosophy that an organization should try to provide products that satisfy customers' needs through a co-ordinated set of activities that also allows the organization to achieve its goals”.

The marketing concept is the idea that to be successful the organization should focus on meeting customer needs - “ The customer is king”. A company that adopts the marketing concept is likely to adopt the following principles such as; identify customer needs, provide products at an acceptable price and stress the benefits through promotion.

This can be contrasted against other 'philosophies' for running the organization: Sales orientation - sales is the main focus of the organization. The product and customer are secondary. Production orientation - the organization's main focus is on reducing production costs. By being the cheapest provider the organization will be the cost leader and therefore successful. Product orientation - the organization's focus is on making better quality products with better features, perhaps through research and development.

Robert Craven observed in his book 'Customer is king': 'If you are the same as your competitors, why will anyone want to buy from you?' 'The customer is king'. Without customers, there is no sale. Without satisfied customers, there is no profit. Without delighted customers, there is no repeat business. You plan your business in such a way that customers can't help coming to you.

It does not matter how good the product is, an organization must be in tune with consumer requirements as market trends and fashions are constantly changing.